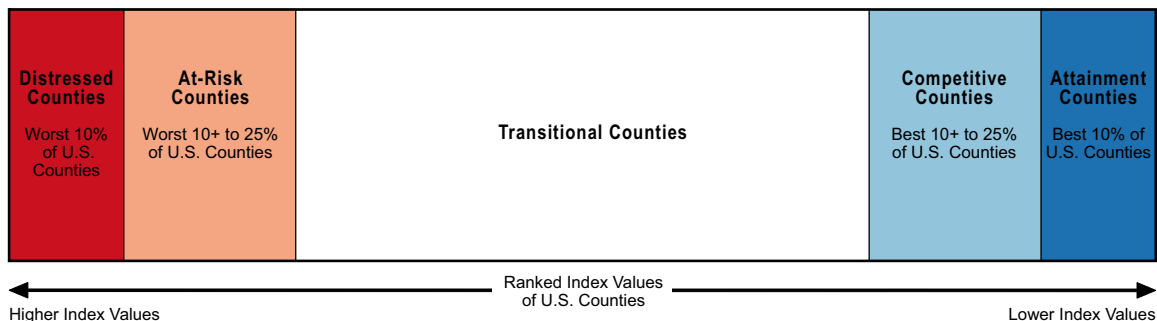


Figure 1: ARC County Economic Status Designation by National Index Value Rank



County Economic Indicators

Three-Year Average Unemployment Rate

The three-year average unemployment rate is a measure of long-term structural unemployment that allows for the comparison of counties across state borders. The unemployment rate is calculated by dividing the three-year sum of persons unemployed by the three-year sum of the civilian labor force.

Source: U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics. <http://www.bls.gov/lau/home.htm>

Per Capita Market Income

Per capita market income is calculated by dividing total personal income, less transfer payments, by population. Transfer payments include retirement and disability insurance benefit payments, medical payments, income maintenance benefit payments, unemployment insurance benefit payments, veterans benefit payments, and other such payments.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System. <http://www.bea.gov/regional/reis/>

Poverty Rate

The poverty rate is computed by dividing the number of persons living below the poverty threshold by the number of persons for whom poverty status has been determined.

Source: U.S. Department of Commerce, Census Bureau, Census of Population and Housing 2000 Summary File 3. <http://www.census.gov/hhes/www/poverty.html>

Distressed Areas

ARC recognizes that some areas in non-distressed counties of Appalachia are characterized by high poverty and low income to such an extent when compared to national averages that they should be considered distressed and should be an important focus of ARC assistance. Accordingly, ARC designates as distressed areas, those census tracts within non-distressed counties, other than competitive and attainment counties, with a median family income no greater than two-thirds of the national average and with a poverty rate that is at least 1.5 times the national average. Essentially, distressed areas are designated within at-risk counties (those at risk of becoming economically distressed) and transitional counties (those that lag behind national norms and often contain pockets